NOTICE TO CONTRACTORS INVITATION FOR BIDS

The REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE invites sealed written proposals for the FALLON HOUSE PHASE 2 IMPROVEMENTS PROJECT ("Project"), located in the Julian Stockton Project Area, at 175 West St. John Street, San Jose, California (the "Site"). The Project includes, but is not limited to: replacement of existing north porch; restoration of damaged wood sash windows and trim; repair water-damaged interior plaster; repair of damaged areas of perimeter brick foundation; installation of new controls and upgrades for existing HVAC system; and installation of new sump pump system.

FILING OF BIDS

All bid proposals must be filed on or before 2:00 p.m. Pacific Time, Thursday
September 20, 2007, at the Redevelopment Agency of the City of San Jose, 200 East
Santa Clara Street, 14th Floor Tower, San Jose, California 95113, Attention: Bill Ekern,
Director of Project Management, as set forth in the specifications, at which time and
place all bids will be opened publicly and read aloud. Bids received after that time will
not be accepted. All bid proposals must be enclosed in an envelope clearly marked as
"Bid for the Fallon House Phase 2 Improvements Project".

The bidder is warned that the Site contains hazardous substances known to pose serious personal health and other related dangers. The successful bidder shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection therewith.

Hand-delivered bids must be placed in the Bidder's Box located at the main reception desk at the Redevelopment Agency, 200 East Santa Clara Street, 14th Floor Tower, San Jose, California, no later than the time set forth above. Bids sent by regular or certified mail must be received by the Agency at the above-referenced address no later than the

FALLON HOUSE PHASE 2 IMPROVEMENTS PROJECT

time set forth above. All bids must be enclosed in an envelope which is marked clearly as "Fallon House Phase 2 Improvements Project".

Each bid must be accompanied by either a certified check, cashier's check, or a bidder's bond in the sum of not less than 10% of the total aggregate of the bid including all add alternatives. Checks shall be made payable to "The Redevelopment Agency of the City of San Jose". Bonds shall be executed by a surety possessing a valid certificate of authority issued by the California Department of Insurance and shall name the Redevelopment Agency of the City of San Jose as beneficiary.

CONTRACT DOCUMENTS/PLANS AND SPECIFICATIONS

Instructions to Bidders and Contract Documents, including plans and technical specifications, may be purchased on or after August 28, 2007 at the Redevelopment Agency of the City of San Jose, 200 East Santa Clara Street, 14th Floor Tower, San Jose, California 95113, 408-535-8500 for a non-refundable charge of Fifty Dollars (\$50.00) per set. Checks must be made payable to "The Redevelopment Agency of the City of San Jose". It can also be downloaded at no charge from The Redevelopment Agency of the City of San Jose's website, www.sjredevelopment.org/opportunities.htm, listed under "Invitation for Bids". Prospective bidders obtaining bidding documents from the website may fax a request to the Redevelopment Agency at (408) 292-6755 to be placed on the "Planholders List". Request should include company name, contact person, telephone and fax numbers and email address. All known planholders will receive any Addenda issued for this Project.

Bidders will have fully inspected the Project Site in all particulars and become thoroughly familiar with the terms and conditions of the Instructions to Bidders, and contract documents including plans, specifications and local conditions affecting the performance and/or costs of the work prior to submitting their bid proposal.

PRE-BID MEETINGS

Two pre-bid meetings will be held on Wednesday, September 5, 2007, at 2:00 p.m. and Tuesday, September 11, 2007 at 2:00 p.m. at the Redevelopment Agency of the City of San Jose, 200 East Santa Clara Street, 14th Floor Tower, San Jose, California. Attendance at one (i.e. either) pre-bid meeting is mandatory. A site visit will follow the pre-bid meetings. Requests for interpretations shall be directed to the Agency at the address set forth in the Instructions to Bidders.

NONDISCRIMINATION / NONPREFERENTIAL TREATMENT

The Nondiscrimination / Nonpreferential Treatment requirements of Chapter 4.08 of the City of San Jose Municipal Code apply to this Project.

PREVAILING WAGES

Attention is called to the fact that this is a Public Work subject to Labor Code §1771. Not less than the general prevailing rate of per diem wages and the general prevailing rates for holiday and overtime work must be paid on this Project. Copies of the prevailing rate of per diem wages are on file with the City of San Jose Office of Equality Assurance, 200 East Santa Clara Street, 5th Floor Tower, San Jose, California 95113, (408) 535-8430 and will be made available to any interested party on request.

DEPOSIT OF SECURITIES IN LIEU OF RETENTION

Pursuant to the terms and conditions set forth in Public Contracts Code Section 22300, the Contractor may substitute certain securities in lieu of the ten percent (10%) retention which will be withheld by Agency as retention to ensure Contractor's performance under the contract. Such substitution of securities in lieu of retention shall be at the Contractor's request and at the Contractor's sole expense. (Public Contract Code 22300).

FALLON HOUSE PHASE 2 IMPROVEMENTS PROJECT

BOND REQUIREMENTS

Bidder's attention is directed to those provisions of the contract documents which require the Contractor to whom the contract for work is awarded, to file with the Agency at the time the contract is executed, a Contractor's Labor and Material Payment Bond and a Contractor's Performance Bond meeting all the requirements of the contract documents and approved by the General Counsel of the Redevelopment Agency of the City of San Jose. Bonds shall be executed by a surety possessing a valid certificate of authority issued by the California Department of Insurance and shall name the Redevelopment Agency as beneficiary. The Contractor's Performance Bond shall be for 100% of the contract price. The Contractor's Labor and Material Payment Bond shall be for 100% of the contract price.

CONTRACTOR'S LICENSE REQUIREMENTS

All prospective bidders are hereby cautioned that the State of California Contractor's Law regulates license requirements for bidding various types of projects. This project can be bid by a contractor possessing, at the time of bid submittal, a valid Class B California Contractor's License ("License"). Bidders shall also possess a California Contractor's State License Board asbestos certification ("Asbestos Certification") and a Division of Occupational Safety and Health of the California Department of Industrial Relations asbestos registration ("Asbestos Registration"); or shall, at the time of bid submittal, provide the Asbestos Certification and Asbestos Registration numbers of the subcontractor(s) who will be performing the asbestos work if such work is proposed to be performed by a subcontractor rather than by the bidder's own personnel. Failure to possess the License and to provide the appropriate Asbestos Certification and Asbestos Registration shall render the bid non-responsive and shall act as a bar to award the contract to any bidder that does not satisfy these requirements at the time of bid submittal. Each bidder shall furnish satisfactory evidence of competency to perform the work contemplated, including documentation of work of the bidder, or of work of personnel guaranteed to be employed in responsible charge of the work, on a minimum of one (1) Historic Structure listed on a National, State, or Local inventory and in which

FALLON HOUSE PHASE 2 IMPROVEMENTS PROJECT

the subject work on the structure was done according to the Secretary of the Interior's Standards and in compliance with the California Historical Building Code. The contractor, in its proposal, shall be required to disclose its license classification, number, and expiration date. (Public Contract Code 3300).

STATEMENT OF QUALIFICATIONS

The Agency reserves the right to reject a bid if the bidder has not submitted a Statement of Qualifications as set forth in the contract documents prior to the date of the opening of the bids or with the bid proposal.

The Agency reserves the right to reject any and all bids or to waive any informalities in the bid.

Bids may be held by the Redevelopment Agency of the City of San Jose for a period not to exceed ninety (90) days from the date of the opening of bids for the purpose of reviewing the bids and investigating the qualifications of the bidders prior to awarding the Contract.

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

DIRECTOR OF PROJECT MANAGEMENT

Date: 28. August 2007